## STATE OF MICHIGAN MICHIGAN GAMING CONTROL BOARD OFFICE OF EXECUTIVE DIRECTOR

#### In the matter of:

Hazel Park Racing Association, Inc., d/b/a Hazel Park Harness Raceway

Application for a 2017 Race Meeting License and 2017 Simulcast Permit.

# ORDER GRANTING HAZEL PARK RACING ASSOCIATION, INC., D/B/A HAZEL PARK HARNESS RACEWAY A 2017 RACE MEETING LICENSE AND 2017 SIMULCAST PERMIT

Hazel Park Racing Association, Inc., d/b/a Hazel Park Harness Raceway, filed applications for a 2017 Race Meeting License and a 2017 Simulcast Permit with the Executive Director of the Michigan Gaming Control Board. The applications were filed under the Horse Racing Law of 1995, Public Act 279 of 1995; MCL 431.301 *et seq.*, as amended (the Act), and the administrative rules promulgated thereto.

An investigation of the applicant and the applications have been conducted to determine whether the applicant, applications, and proposed race meeting comply with the licensing requirements. It has been determined that the applicant complies with the standards and requirements for granting a Race Meeting License and Simulcast Permit under the Act and the administrative rules. The Race Meeting License and Simulcast Permit are subject to the terms and conditions set forth below.

#### **IT IS ORDERED**, as follows:

- 1) The application of Hazel Park Racing Association, Inc., d/b/a Hazel Park Harness Raceway (the licensee) for a 2017 Race Meeting License to be conducted at Hazel Park Harness Raceway located at 1650 East Ten Mile Rd., Hazel Park, Michigan, 48030 is granted and will be valid and continue in full force and effect from January 1, 2017, through December 31, 2017, unless hereafter suspended or revoked.
- 2) The 2017 Race Meeting License and Simulcast Permit are conditioned upon the licensee's compliance with the Act, administrative rules, and orders of the Executive Director, and all other applicable local, state and federal laws. In particular, but not limiting the licensee's responsibility to comply with all laws, administrative rules, and orders of the Executive Director, the licensee must:

- (a) Immediately inform the Executive Director in writing of any changes or amendments in the licensee's ownership, including but not limited to:
- Affiliates, stockholders, shareholders;
- Partners, members, officers, directors;
- Officials, and employees participating in, involved in, or otherwise having to do with horse racing, pari-mutuel wagering or simulcasting; and
- Any person who has significant control over the horse racing, pari-mutuel wagering, or simulcasting at the licensee's race meeting.

Any change in the holders of the Race Meeting License must be first approved by the Executive Director in accordance with the Act and administrative rules.

- (b) In accordance with §7(4) of the Act, all proposed extensions, additions, modifications or improvements to the racecourse, roadways, parking lots, buildings, stables, lighting and electrical service, plumbing, public utilities, drainage, totalisator system and equipment, hardware and software for all approved methods of conducting pari-mutuel wagering, and security on the grounds of the licensed racetrack where the licensee is conducting its race meeting shall be submitted in writing for approval to the Executive Director by the licensee prior to the initiation or commencement of any such proposal.
- (c) In accordance with Administrative Rule 1095(29), the names and addresses of proposed racing officials shall be submitted in writing to the Executive Director, not less than 30 days before the start of the licensee's 2017 race meeting and shall thereafter be approved or disapproved by the Executive Director. For the duration of the 2017 Race Meeting License, the licensee shall promptly notify the Executive Director in writing of all changes in status of approved racing officials and of proposed new racing officials.
- (d) In accordance §7(2) of the Act and Administrative Rule 1095(2), the licensee shall provide security at all times so as to reasonably ensure the safety of all persons and horses on the grounds and to protect and preserve the integrity of horse racing, pari-mutuel wagering, and simulcasting at licensed race meetings. In accordance with Administrative Rule 1095(4) and 1101(2), the licensee shall ensure that only authorized persons enter any restricted areas including, but not limited to, the stables and paddocks, and where applicable, those persons are wearing on his or her outer apparel a valid identification card issued by the Michigan Gaming Control Board.
- (e) In accordance with Administrative Rule 1105, the licensee shall ensure that licensed persons entering restricted areas of racetracks during other than normal racing and training hours shall sign in prior to entering any restricted area and shall sign out upon departure. The person's name, occupation and vehicle license plate number shall be recorded in the restricted area log. In accordance with Administrative Rule 1105, exempt persons, as defined in Administrative Rule 1101(4), other than police and fire personnel in the performance of their duties, shall sign in and out at all times during the licensee's

race meeting. The exempt person's name, occupation, vehicle license plate number, and name and signature of the licensed person responsible for the exempt person's entry, shall be recorded. The restricted area log shall be made immediately available for inspection upon request by the Executive Director or his designee.

- (f) In accordance with §18(2)(a) of the Act, for the duration of the 2017 Race Meeting License and Simulcast Permit, the licensee shall have a fully executed written contract with a certified horsemen's organization, to be able to conduct live or simulcast horse races with pari-mutuel wagering on the results of the horse races in 2017.
- (g) Under the authority of §7(5) of the Act, financial reports shall be submitted as requested.
- (h) In accordance §17(1) of the Act and Administrative Rule 2070, all forms of pari-mutuel wagering conducted at the licensee's race meeting must be pre-approved by the Executive Director.
- (i) Under the authority of §7(5) of the Act, the licensee shall immediately inform and advise the Executive Director in writing and provide copies of any notification it receives from any local, state, or federal agency other than the Michigan Gaming Control Board.
- (j) In accordance with §15(1) of the Act, before March 31, 2017, the licensee shall file with the Executive Director a certified statement of receipts from all sources during the previous calendar year and of all expenses and disbursements, itemized in a manner and on a standardized form as directed by the state treasurer, showing the net revenue from all sources derived by the holder of the license.
- (k) Ensure the financial viability of the 2017 race meet. Such assurance can be provided in the form of a line-of-credit or other written assurance of available financial resources necessary to conduct the race meet.
- 3) In accordance with §17(2) of the Act and Administrative Rule 2010(1), the conducting of all live race meetings and simulcasting is limited to those designated areas previously approved by the Executive Director within the designated licensed race track. Any change in those designated locations must be submitted in writing and specifically approved in writing by the Executive Director.
- 4) In accordance with §9a of the Act, the licensee, in cooperation with the track licensee, must conspicuously post at each entrance and exit of the racetrack and at each location on the racetrack where wagers on horse races are accepted, a visually prominent sign that contains the toll-free compulsive gaming help line number (800-270-7117). The licensee must also include the toll-free compulsive gaming help line number (800-270-7117) in a prominent manner on all advertisement and promotional materials.

- 5) In accordance with §9b of the Act, the licensee, in cooperation with the track licensee, department of human services, and persons that provide point of sale devices or automated teller machine services on the licensed premises, must prevent individual's access to cash benefits from Michigan bridge cards through a point of sale device or withdrawal from an automated teller machine on the licensed premises.
- 6) The licensee shall implement the emergency preparedness plan, referenced in its 2017 Race Meeting License application, together with any additional requirements or clarifications on said plan requested of the licensee by the Executive Director, throughout and for the duration of its 2017 Race Meeting License and Simulcast Permit. Any proposed changes, updates, or amendments to said plan must be promptly submitted in writing to the Executive Director.

### 7) Thoroughbred Race Meeting:

(a) The Executive Director hereby allocates to the licensee, the following Thoroughbred horse racing dates in 2017 on which live horse racing shall be conducted by the licensee during the term of its 2017 Race Meeting License:

A total of 36 Thoroughbred horse race dates, from Friday, May 5, 2017, through Saturday, September 2, 2017, with live racing to be held two days per week, Fridays and Saturdays, with no less than 8 live horse races programmed per race date.

- (b) Each of the foregoing live racing dates allocated herein shall be utilized by the licensee to conduct live Thoroughbred horse races with pari-mutuel wagering on the results of horse races, unless the date is hereafter cancelled by order of the Executive Director. Live racing dates allocated herein will not be cancelled except for those reasons permissible under the Act and administrative rules, including but not limited to budgetary reductions, insufficient staff, insufficient appropriations, or upon request of the licensee for good cause shown in accordance with §12 of the Act.
- (c) Due to overlapping race dates and times, specifically Fridays and Saturdays from Friday, May 5 through Saturday, June 10, there is a need to hire additional regulatory staff. At meetings held with all race meet licensees and certified horsemen's organizations on October 13, 2016, all race meet licensees and certified horsemen's organizations acknowledged and understood that there may not be sufficient appropriation or staff to race on all allocated race dates. Budget projections at this time do not indicate that a shortage is likely. If there is an insufficient appropriation or insufficient staff to conduct the allocated race dates, the Executive Director will issue Orders reducing the allocated race dates for all race meetings.

#### 8) Simulcast Permit:

- (a) Having determined that the licensee now holds a 2017 Race Meeting License and meets the requirements of §18 of the Act, the licensee is granted a 2017 Simulcast Permit from January 1, 2017, through December 31, 2017. This permit authorizes the licensee to simulcast horse races to and from its race meeting to the full extent permitted by the Act and administrative rules during the term of its 2017 Race Meeting License.
- (b) In accordance with §18(3) of the Act, the licensee is granted permission to combine pari-mutuel wagers made under this license on interstate simulcast races with pari-mutuel wagers made at out-of-state sending host tracks on the same races to form common parimutuel pools created at out-of-state sending host tracks.
- (c) In accordance with §18(5) of the Act, the licensee is authorized to transmit simulcasts of live horse races conducted under this Race Meeting License to locations outside of this state in accordance with the Interstate Horse Racing Act of 1978, 15 U.S.C. 3001 *et seq.*, as amended, or any other applicable laws; and furthermore, permits pari-mutuel pools on such simulcast races created under the laws of the jurisdiction in which the receiving entities are located to be combined in a common pool with pari-mutuel pools on the same races created at the licensee's racetrack.
- (d) For the duration of the 2017 Race Meeting License and Simulcast Permit, the licensee shall have a fully executed written contract with a totalisator company on or before December 31, 2016, to be able to conduct live or simulcast horse races with pari-mutuel wagering on the results of the horse races in 2017.
- (e) In accordance with §18(2)(i&j) all simulcasts to or from the race meeting during the term of the Race Meeting License and Simulcast Permit shall at all times be conducted in compliance with the Act, administrative rules and orders of the Executive Director and applicable provisions of the Interstate Horse Racing Act of 1978, 15 U.S.C. 3001 *et seq.*, as amended.
- (f) The export simulcast wagering agreement template submitted with the licensee's 2017 Simulcast Permit application is hereby approved. Any changes to the template must be submitted in writing to the Executive Director for approval or denial not less than thirty (30) days prior to distribution of said agreement.
- (g) Under the authority of §7(5) of the Act, the licensee shall promptly forward to the Executive Director all copies of and all summaries of all simulcast wagering agreements that it enters into to either transmit or receive simulcast race signals; all such agreements must be provided to the Executive Director prior to receiving any remuneration from said agreements.
- (h) In accordance with §18(2)(i) of the Act and Administrative Rule 2015(1), any changes in the licensee's simulcast schedule or format shall be submitted in writing to the Executive

Director for approval prior to the changes. In such cases where the change is an emergency cancellation or substitution and there is insufficient time to request and receive prior written approval from the Executive Director, the licensee shall promptly notify the Executive Director in writing of the emergency changes or substitutions.

- (i) In accordance with §19 of the Act, the licensee shall promptly pay an amount contractually agreed upon to the horsemen's simulcast purse account.
- (j) In accordance with §18(6) of the Act, a race meeting licensee shall not receive and offer wagers on an interstate simulcast unless the interstate simulcast is available to all race meeting licensees in this state at the same rate.
- 9) The licensee shall maintain an interest bearing account for all funds due to the horsemen's purse pools, and shall timely deposit such funds in the account and credit all interest earned by the account to and for the horsemen's purse pools, under and in strict compliance with the requirements of §§14(7), 15(2), 17(3), 18(5), and 19 of the Act.
- 10) In accordance with §15(2) of the Act, on the first day, other than Sunday, after each day of operation, the licensee shall remit all monies due and payable, including simulcast tax deposits to the State of Michigan, and all other entities, at the close of the day of operation with a detailed statement of that money in accordance with and as required by the Act, administrative rules, and as otherwise directed by the Executive Director.
- 11) In accordance with §14(4) of the Act, if after the issuance of this Race Meeting License a determination is made that the licensee has not met or will be unable to meet the requirements of the Race Meeting License, the Executive Director may impose a fine or suspend or revoke the Race Meeting License, or both, for all or part of the remainder of the time period for which the 2017 Race Meeting License was granted.
- 12) In accordance with Administrative Rule 1095(17), the licensee shall provide, during all racing and training hours, at least one ambulance and one horse ambulance with personnel to render first aid and transport injured persons or horses. Additionally, Administrative Rule 1095(18) requires adequate on-site first aid facilities complete with medical personnel and equipment. The licensee in cooperation with the certified horsemen's organization must ensure a veterinarian is on-site at all times when the track is open for training or racing of horses unless otherwise authorized by the Stewards.

#### IT IS SO ORDERED.

/s/ Date: October 27, 2016
Richard S. Kalm, Executive Director
Michigan Gaming Control Board